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Canadian Goldale Corporation Limited

Annual Report



For the Year Ending December 31st, 1965

Canadian Goldale Corporation Limited

1965 Annual Report

OFFICERS

K. A. ROBERTS	-	-	-	-	<i>President and General Manager</i>
C. F. WATSON	-	-	-	-	- - <i>Vice-President</i>
P. C. FINLAY, Q.C.	-	-	-	-	- <i>Secretary-Treasurer</i>

DIRECTORS

K. A. ROBERTS	-	-	-	-	-	-	-	-	-	Toronto
C. F. WATSON	-	-	-	-	-	-	-	-	-	Brampton
P. C. FINLAY, Q.C.	-	-	-	-	-	-	-	-	-	Toronto
W. H. GILLELAND	-	-	-	-	-	-	-	-	-	Toronto
E. J. HENWOOD	-	-	-	-	-	-	-	-	-	Toronto

SOLICITORS

HOLDEN, MURDOCH, WALTON, FINLAY, ROBINSON, PEPALL & HARVEY
2402 Bank of Nova Scotia Building
Toronto, Ontario

AUDITORS

EDDIS AND ASSOCIATES
Toronto, Ontario

REGISTRAR AND TRANSFER AGENT

EASTERN & CHARTERED TRUST COMPANY
Toronto, Ontario

HEAD OFFICE

2402 Bank of Nova Scotia Building
44 King Street West
Toronto, Ontario

Canadian Goldale Corporation Limited

Directors' Report

TO THE SHAREHOLDERS:

Your Directors submit herewith the Consolidated Financial Statements of your Company and its subsidiary Company, Goldale Acceptance Limited, as at December 31, 1965, consisting of the Consolidated Balance Sheet as at December 31, 1965, and accompanying Consolidated Statements of Deficit and Profit and Loss for the year ended on that date.

You will note that as at December 31, 1965, in addition to Cash, Notes and Accounts Receivable amounting to \$1,167,494.00 and the other assets set forth therein, your Company held marketable securities which had a book value of \$1,211,870.00 and a market value of \$2,120,022.00. As you will note from the Consolidated Statement of Profit and Loss, the net profit for the year was \$10,579.00, and in addition your Company had a profit on sale of investments amounting to \$199,918.00.

Following the General Meeting of Shareholders held on the 8th day of June, 1965, Supplementary Letters Patent were issued on the 16th day of June, 1965, changing the name of your Company from Goldale Limited to Canadian Goldale Corporation Limited, and the shares of the Company were consolidated on the basis of one share of Canadian Goldale Corporation Limited for each ten shares of Goldale Limited, and the authorized capital was increased from 500,000 shares without par value to 1,000,000 shares without par value.

During the latter part of 1965, your Company was successful in acquiring 333,333 shares of the capital stock of O'Brien Gold Mines Limited for the sum of \$500,000.00, and sold 5,000 shares of the capital stock of Noranda Mines Limited for a total of \$266,716.00.

Due to the inconclusive results obtained on the 20-claim group in Courville Township, Province of Quebec, held under a working option agreement by your Company, the option agreement was terminated. Your Company also allowed its 11-claim group in Evelyn Township, Porcupine Mining Division, Province of Ontario, to lapse, due to unfavourable results obtained on surrounding properties.

Your Company proposes to continue carrying on general prospecting and examining worthwhile mining prospects with a view to acquisition and investment therein.

On behalf of the Board,

K. A. ROBERTS,
President.

Toronto, Ontario
June 1, 1966

CANADIAN GOLDALE

and its Subs

Consolidated Balance Sheet

ASSETS

CASH, NOTES AND ACCOUNTS RECEIVABLE:

Cash	\$	61,990	
Notes receivable			
Commercial instalment loans	\$1,101,611		
Other commercial obligations	15,450		
Re-posessions	11,126		
	1,128,187		
Less allowance for doubtful receivables	25,134	1,103,053	
Accounts receivable		2,451	\$1,167,494

INVESTMENT IN SHARES OF OTHER COMPANIES, AT COST:

Listed (Quoted market value \$2,120,022)	1,211,870		
Unlisted or escrowed	59,940	1,271,810	

MINING PROPERTIES, AT COST:

Patented mining claims —			
Tisdale Township, Ontario	275,096		
Mining claims —			
Murphy Township, Ontario	5,006		
Broken lot 5, Concession 1 —			
Hindon Township, Ontario	1	280,103	

OTHER:

Office furniture, at cost			
less accumulated depreciation \$504	2,017		
Sundry accounts receivable	3,650	5,667	
			\$2,725,074

CORPORATION LIMITED

Company

as at December 31, 1965

LIABILITIES

DEMAND LOANS AND ACCOUNTS PAYABLE:

Bank loans — secured	\$ 720,000	
Due to brokers — secured	292,525	
Loans payable	30,352	
Accounts payable and accrued charges	14,209	
Estimated income taxes payable	6,735	\$1,063,821
Unearned service charges		143,005

CAPITAL AND DEFICIT:

Capital Stock

Authorized

1,000,000 shares of no par value —
consideration not to exceed \$8,000,000

Issued and fully paid

335,680 shares for 2,078,726

Deficit 560,478 1,518,248

Approved on behalf of the Board:

P. C. FINLAY, Director.

K. A. ROBERTS, Director.

The accompanying Notes are an integral part of these financial statements and should be read in conjunction therewith.

\$2,725,074

Canadian Goldale Corporation Limited

and its Subsidiary Company

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 1965

1. The consolidated financial statements include the accounts of Goldale Acceptance Limited, a wholly-owned subsidiary company, from the date of its inception, March 8, 1965 to December 31, 1965.
2. In accordance with Supplementary Letters Patent dated June 16, 1965
 - (a) The name of the company was changed from Goldale Limited to Canadian Goldale Corporation Limited;
 - (b) The 3,356,800 issued and 1,643,200 unissued shares of the company were consolidated into 335,680 issued and 164,320 unissued shares without par value on the basis of one new share for each ten old shares; and
 - (c) The authorized capital of the company was increased by the creation of an additional 500,000 shares without par value ranking on a parity with the 500,000 shares resulting from the consolidation, provided that the 1,000,000 shares shall not be issued for a consideration exceeding \$8,000,000.

3. Capital stock issued:

3,356,800 shares as at January 1, 1965	\$2,078,726
3,021,120 shares — reduction in accordance with Supplementary Letters Patent dated June 16, 1965	—
<u>335,680 shares as at December 31, 1965</u>	<u>\$2,078,726</u>

AUDITORS' REPORT

To the Shareholders,
CANADIAN GOLDALE CORPORATION LIMITED.

We have examined the Consolidated Balance Sheet of Canadian Goldale Corporation Limited and its subsidiary company as at December 31, 1965 and the Consolidated Statements of Deficit and Profit and Loss for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

We report that, in our opinion, the attached Consolidated Balance Sheet and accompanying Consolidated Statements of Deficit and Profit and Loss present fairly the financial position of the companies as at December 31, 1965 and the results of their operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada,
May 9, 1966.

EDDIS & ASSOCIATES,
Chartered Accountants.

Canadian Goldale Corporation Limited

and its Subsidiary Company

Consolidated Statement of Deficit

For the Year Ended December 31, 1965

Balance, January 1, 1965		\$ 750,529
ADD:		
Cost of Supplementary Letters Patent	\$ 4,195	
Incorporation costs of subsidiary company	1,331	
Mining claims in Quebec and Ontario abandoned during the year	7,221	
Additional income taxes assessed on prior years' income	7,699	20,446
		<u>770,975</u>
LESS:		
Net profit for the year	10,579	
Profit on sale of investments	199,918	210,497
		<u>210,497</u>
Balance, December 31, 1965		<u>\$ 560,478</u>

Consolidated Statement of Profit and Loss

For the Year Ended December 31, 1965

REVENUE:		
Earned service charges and interest on receivables	\$ 62,806	
Investment income	39,443	\$ 102,249
		<u>102,249</u>
EXPENSES:		
Cost of borrowed money	15,557	
Provision for losses on receivables	27,870	
General and administrative expenses	45,976	89,403
		<u>89,403</u>
Profit before income taxes		12,846
Estimated income taxes		2,267
		<u>2,267</u>
Net profit for the year		<u>\$ 10,579</u>

Canadian Goldfields Corporation Limited

and its Subsidiary Companies

Consolidated Statement of Profit and Loss

For the Year Ended December 31, 1961

Revenue	
Sales	1,000,000
Interest	100,000
Dividends	50,000
Other income	20,000
Total Revenue	1,170,000
Expenses	
Cost of sales	(800,000)
Depreciation	(100,000)
Amortization	(50,000)
Salaries and wages	(150,000)
Other expenses	(50,000)
Total Expenses	(1,150,000)
Profit before income tax	20,000
Income tax	(10,000)
Net Profit	10,000

Consolidated Statement of Profit and Loss

For the Year Ended December 31, 1962

Revenue	
Sales	1,200,000
Interest	120,000
Dividends	60,000
Other income	30,000
Total Revenue	1,410,000
Expenses	
Cost of sales	(950,000)
Depreciation	(120,000)
Amortization	(60,000)
Salaries and wages	(180,000)
Other expenses	(60,000)
Total Expenses	(1,370,000)
Profit before income tax	40,000
Income tax	(20,000)
Net Profit	20,000